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Near East and South Asia Review



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**Supplement
10 May 1985**

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10 May 1985

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Some articles are preliminary views of a subject or speculative, but the contents normally will be coordinated as appropriate with other offices within CIA. Occasionally an article will represent the views of a single analyst; these items will be designated as noncoordinated views. Comments may be directed to the authors,

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Articles

Libya: Qadhafi's Declining Popularity

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One year after the abortive raid on his headquarters in Tripoli, Libyan leader Qadhafi has done little to ease popular discontent with his regime. Qadhafi was the object of an assassination attempt last January and recently quashed the first serious antiregime plotting in the military since 1983. Qadhafi has increasingly turned for support to his fellow tribesmen and extremists in the Revolutionary Committees, moves that almost certainly will alienate further key sectors of the population. Libyan dissidents will continue to exploit deteriorating conditions inside Libya in their campaign to undermine Qadhafi's authority. Nevertheless, the dissidents probably are still too weak—and Qadhafi's security forces too strong—to forcibly remove him during the next six to 12 months.

Continued Erosion of Domestic Support

Antiregime incidents in Libya have increased this year after a relatively quiet period in the last half of 1984. anti-Qadhafi leaflets have appeared in several Libyan cities, and disturbances have occurred among the Berber minority in northwest Libya.

Of particular significance are indications of disgruntlement among officers in the Armed Forces, the greatest internal threat to Qadhafi.

Libya's poor economic performance—due in large part to the soft oil market—has further eroded Qadhafi's public standing. Per capita income has dropped 30 percent since 1981, and economic output has slipped to the lowest level in five years. Qadhafi's chaotic efforts to nationalize the economy have resulted in food shortages, breakdowns in public services, and vigorous opposition to land reform among private farmers. Libyan technocrats are rankled by the mismanagement of economic policy by pro-Qadhafi ideologues.

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The Opposition

The erosion in Qadhafi's popular support comes at a time of renewed activity among the dissidents. In the past year, Libyan dissidents have expanded their list of support abroad to include Iraq, Egypt, the pro-Arafat wing of the PLO, and possibly Algeria.

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The recent coup in Sudan probably has crimped dissident efforts to undermine the Qadhafi regime. The Front's radio station in Khartoum has been closed, depriving the Front of its primary propaganda

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tool. Sudan also was a major dissident training and logistic base. [] Egypt is now broadcasting dissident-produced programs on a limited schedule, but the dissidents may require several months to establish new training and supply facilities. []

Barring a chance assassination, Qadhafi probably will not be removed during the next six to 12 months. Qadhafi's pervasive security forces will monitor the military closely for signs of coup activity. His swift and brutal quashing of the military plot in Benghazi probably will persuade other would-be conspirators to put off similar plotting for several months. []

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Qadhafi's Response

Qadhafi has tightened internal security procedures—including roadblocks, searches, identity checks, and the reassignment of Army officers—but he has thus far avoided the highly visible and unpopular police measures of last summer. In March he announced the formation of a "People's Security Force" organized at the neighborhood level, with a mandate to report suspicious activity and the warning that they will be held responsible for disturbances in their precincts. In addition, Libyan agents continue to stalk dissidents abroad and almost certainly are responsible for attacks this year on Libyan exiles in Germany, Austria, and Italy. Libyan operatives also recently have been expelled from the United Kingdom, Belgium, and Italy. []

Neither is Qadhafi likely to encounter an immediate threat from Libyan dissidents. Once they regroup from being forced out of Sudan, the opposition probably will try a highly visible action, such as a commando-type raid against a Libyan military installation. While such an attack will enhance the dissidents' public credibility as an armed force and impress their foreign supporters, it is not enough to inspire a broadly based movement against Qadhafi. A less likely alternative would be a sustained campaign of isolated sabotage and propaganda, but such a course would require several years to undermine effectively Qadhafi's grip on power. []

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Dogged by unrest and the suspicions of disloyalty it raises, Qadhafi increasingly has turned to relatives and the radicals of the Revolutionary Committees for support. These people are intent on preserving their own interests and enforcing extremist policies in Qadhafi's name. Particularly irritating to Libyans are Tripoli's nationalization of small businesses and the military conscription of women. []

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Outlook

Qadhafi shows no willingness to address the sources of popular dissatisfaction with his regime. The weak oil market limits his ability to assuage the growing number of complaints over declining living standards without cutting military purchases or showcase development schemes. Moreover, his inability or refusal to curb the activities of the Revolutionary Committees almost certainly will alienate a growing share of the Libyan population. As Qadhafi's base of support narrows, he will be forced to maintain his position through greater repression, increasing the likelihood of a military move against him. []

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Saudi Arabia-Sudan:
Postcoup Diplomacy [redacted]

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Saudi Arabia moved swiftly to offer diplomatic and financial support to the new transitional military government in Sudan. We judge the Saudis had concluded several months ago that then President Nimeiri was losing his grip on power, and they began considering their options should he be removed. They continued to counsel him, but the Saudis tried to avoid identifying their interests in the Sudan with Nimeiri or his policies. They also dispensed aid cautiously, with an eye to strengthening Sudanese stability, and positioned themselves to deal with his successors. [redacted]

Despite their initial contacts with the new leaders and fresh aid commitments, the Saudis will look closely for signs that the new regime can begin resolving Sudan's economic, political, and security problems before offering additional large-scale assistance. They also will watch to see if Khartoum's more nonaligned rhetoric reflects an intent to make major changes in foreign policy, particularly any loosening of ties with the United States and Egypt or expanding of relations with radical regimes in the region or with the USSR. [redacted]

Postcoup Support

Riyadh moved quickly after the coup to offer public support for Sudan. [redacted]

Riyadh pledged \$50 million for the new regime to dispense as it chose, as well as three months' supply of oil. [redacted]

[redacted]

The Importance of Sudan

Riyadh's uncharacteristically swift public response reflects its belief that this neighboring Islamic state—poor, undeveloped, and, in the Saudi view, chronically unstable—poses strategic and diplomatic risks to Riyadh. Although Sudanese foreign policy has been largely moderate and pro-Western and Khartoum has maintained close links to the United States, Riyadh has long feared that developments in Sudan could threaten Saudi Arabia indirectly by encouraging Libyan or Ethiopian meddling or by undermining regional stability. [redacted]

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Financial Aid

Riyadh's key frustration in recent years has been Khartoum's persistent economic difficulties. [redacted] Saudi Arabia has extended Sudan more than \$2 billion in loans and grants since 1979. In addition, the Saudis have provided occasional shipments of crude oil on a deferred payment basis, despite their general reluctance to provide aid in the form of oil, to help Khartoum avoid destabilizing domestic disturbances. [redacted]

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According to Embassy reporting just before the coup, eight out of 11 Saudi Government loans to Sudan had been suspended because of failure to make principal or interest payments. Embassy officials judge that the Saudis had become reluctant to provide further assistance because they perceived the funds were not

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being absorbed efficiently. [redacted]

Saudi Disenchantment With Nimeiri

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We judge that Saudi leaders were prepared to respond to the new Military Council in Khartoum because they had grown increasingly skeptical that Nimeiri could solve Sudan's mounting economic and security problems. They also appeared to have grown uneasy over the last 18 months at what they judged to be Nimeiri's stubborn and occasionally erratic behavior. [redacted]

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Since the coup, the Saudis have cautioned Sudan's new military leaders that Saudi largess has limits. [redacted]

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Although the Saudis recognized that Sudan's security and economic problems could not be blamed wholly on Nimeiri, they were dismayed at his decision in late 1983 to implement sharia—Islamic law—in Sudan. According to Embassy reporting, the decision embarrassed the Saudis, who could not officially object to sharia—the basis of their own legal system. They suspected Nimeiri's motives, however, and feared the move would backfire. They doubted Nimeiri could implement its more controversial elements, such as the ban on alcohol or the harsh corporal punishments, without strong domestic opposition, particularly in the largely non-Muslim areas of southern Sudan. [redacted]

The Libyan Threat

The Saudis may hope that the new government in Khartoum will be able to capitalize on its improved ties to Libya to reduce Tripoli's meddling in Sudan, particularly its support for insurgent elements in southern Sudan. We judge they supported the renewal of diplomatic relations between Khartoum and Tripoli in mid-April and will be watching the outcome of a visit to Sudan in early May of a delegation of Libyans to explore bilateral concerns. [redacted]

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[redacted] According to US officials, the Saudis have sought for some time to mediate between the two neighbors, and we judge these efforts were recently stepped up to help strengthen the position of the new Sudanese Government. [redacted]

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Future Saudi moves to encourage the relationship probably will be cautious, however, to avoid the appearance of encouraging a more radical foreign policy in Khartoum. [redacted]

[redacted] They will also be sensitive to Egyptian concerns about closer Sudanese-Libyan ties.

According to US officials, Cairo is uneasy about Saudi efforts to mediate. [redacted]

We judge the Saudis will find Military Council Chairman Suwar al-Dahab easier to work with and more compatible with Saudi interests. A devout Muslim, he is generally acknowledged to be apolitical and unpretentious, with a low-key, accommodating style. [redacted]

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Prospects

Having offered swift support to Sudan, the Saudis will probably wait to see how the situation develops before making additional major commitments. [REDACTED]

Finally, Riyadh will be guided in its policy most strongly by what other states, particularly the United States and West European states, do to support the new government. They no longer have the financial flexibility to provide long-term, large-scale assistance, and they will not be willing to carry what they fear will be a disproportionate share of the aid burden for Sudan without clear evidence that the money is being put to good use. [REDACTED]

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We judge that the Saudis will provide additional aid if the new leaders make rapid efforts to resolve Sudan's economic difficulties and the domestic political situation remains calm. Aid is more likely to be forthcoming if there are no dramatic changes in Sudan's moderate, generally pro-Western foreign policy. The Saudis will be willing to ignore more nonaligned, nationalist rhetoric from Khartoum, as long as it does not target specifically the United States or moderate Arab states such as Egypt. We also judge they will look for indications that the Transitional Military Council is moving toward restoring civilian rule if the security situation permits.

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Riyadh is likely to be more stingy with aid to Khartoum if Sudanese leaders expand sharply their ties to radical states or with Moscow. We judge they are uneasy about Khartoum's recent statements that it will move in that direction and that it will reassess relations with Egypt. The Saudis will also reduce their diplomatic role and possibly their aid if they believe Sudanese leaders are relying too heavily on Saudi largess to bail them out. [REDACTED]

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